Wilberforce

CONSIDERATIONS

ON THE

ACT

FOR THE

REDEMPTION OF THE LAND-TAX.

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TO THE

OWNERS OF LANDED PROPERTY

IN

ENGLAND,

THE POLLOWING

CONSIDERATIONS

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OBEDIENT SERVANT,

THE EDITOR.

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CONSIDERATIONS, &c.

IT is by no means my object, much less my wish, to clog the wheels of Government, or to throw the least obstacle in the way of any practical scheme of the Executive Government, in times so big with danger and diffiulty as the present; but as I conceive the Act for the Redemption of the Land-Tax not calculated to answer the purposes for which it was designed on the one hand, and as very likely to produce serious inconveniences on the other, to the owners of landed property in this kingdom, I have thought it my duty to submit to the public my thoughts on this act of parliament, that if I am wrong, I may be set right by some gentleman of more experience and know-

ledge than myself; and if right, that the act of parliament may be either totally repealed or amended, as to the wisdom of the legislature of this country shall seem most proper.

I own I have great doubts if any advantage is to be reaped from this act of parliament; but I have no doubts that very serious disadvantages will attend the carrying of it into effect. Sir William Pulteney's observation, that if the whole of the land-tax was redeemed, it would create an odious distinction between a stock, the interest and principal of which was secured on land; and a stock, merely personal, has always had great weight with me; and the more I consider this matter, the more I am convinced of the truth of it, and I have no hesitation in saying, that this competition will tend more to reduce the price of the funds, than the taking even 70 millions of 3 per cents. out of the market will raise them.

I shall now consider the act of parliament itself; and here I would ask, whether any

gentleman will give the same number of years purchase for the land-tax charged on old houses in many of our county towns, nay even in London or Westminster, as for a land-tax charged on land? If gentlemen will not give the same price for both, then much land-tax must necessarily remain unsold, and the purpose of the act be in great measure defeated.

In a pamphlet, entitled Observations on the Act for the Redemption of the Land-tax, a table is given, to shew what interest may be made of money laid out in the purchase of land-tax at various prices of 3 per cent. stock; and by this table it appears, that less than 5 per cent, will be made, if the price of 3 per cent. stock is more than 54-1 half; and less than 4 per cent. if the price of 3 per cents. is more than 64-1 fourth; so that in reality none can purchase the land-tax to advantage, but such as are holders of 3 per cent. stock, or have money to purchase such stock at less than 54-1 half; and all such as hold stock, which cost more than that price, cannot purchase land-tax at all, unless they are satisfied

to make less than 5 per cent. But perhaps I shall be told, that it is immaterial at what price the stock was purchased, provided the present value is under 54; but I can by no means subscribe to this reasoning, as then I must give up all expectations of a rise of stock; and if so, what will then become of Lord Auckland's elaborate calculations, by which the whole national debt was to be paid off in less than forty years? I would beg leave to ask, whether trustees of stock bought at 97 (the price of 3 per cents. but a few years back) would think themselves justified in transferring such stock at 54 for the purchase of land-tax at 5 per cent. interest? I should suppose not. What I contend is this; that there are few holders of 3 per cent. stock, compared with the great body of proprietors, who have purchased 3 per cents. at 54 and under---nay, I think it is almost a certainty, that no gentlemen of real estates, but such as live considerably within their incomes, have purchased at such prices, and consequently that few of that description will purchase their land-tax. The author indeed of the Observations on the Act talks of persons

buying their land-tax from the saving in their incomes; and seems to think that this may be done, as four years are allowed for the payment; but I fear this author knows little of the present situation of the landed interest of this country, or he would not indulge himself in such a supposition. The present taxes on landed property are too severe, and too numerous, and of too recent date, to allow many to save in their incomes; and I am convinced that many more gentlemen of landed property exceed than live within their incomes. The author afterwards attempts to shew the great advantages to be derived from the purchase of the land-tax, by asserting that you may sell 65l. per annum of landed estate at 28 years purchase, and buy 65l. of land-tax at 18 years. This at first sight certainly appears very advantageous, but when we come to examine it, it will, I apprehend, not turn out to be so; for 65l. neat produce of land will require an estate of the nominal value of 90l. which, at 20 years purchase, is equal (very nearly) to 65 at 28 years purchase; so that a gentleman must sell land, which was worth, but

a very few years since, from 25 to 28 or 30 years purchase, at 20 years purchase, to buy land-tax at 18 years purchase. I am ready to admit, the gentleman will increase his income by it, and on that account it may be advantageous to such as are possessed only of life estates, and care not for those in remainder or reversion; but to such as have a more permanent estate in land, it certainly will not appear so, as they give up all the advantages arising from the possession of land, with the possibility at least, not to say the probability of land rising to its former value. One of the great objections I have to this act of parliament is founded on the inducement held out to many, to sell their land at 20 year's purchase, to buy land-tax, as in the supposition that much of the land-tax is bought in, much land must necessarily be sold at a very low price, by which the property of the country gentlemen will be greatly depreciated; and such as shall be obliged to sell, to raise money for younger children and various other purposes, will be greatly injured. The country gentleman will likewise be much agrieved in another

respect---They will find it impossible to raise money on mortgage; for who will advance money on mortgage, when they can make more interest by the purchase of land-tax, in all respects a better security, more punctually paid, more easily transferable, and not liable to any risks from defect of title, &c. &c.--- This difficulty of raising money on mortgage will likewise bring much land to market, which, by adding to the land already there, will yet further reduce the value of land--- Add to this, that all that loss of purchasers of land, who were induced to lay out their money in land, as considering it as the best security, and as wishing to have more than one species of property, will now prefer becoming purchasers of land-tax, as a kind of property equally secure with land, not open to many objections to which landed property is liable, and infinitely easier to be converted into money again; so that there will remain but two sets of purchasers of land, such as become purchasers from contiguity or other local circumstances, and such as purchase to occupy; and hence must arise a very considerable depreciation of the value of landed property.

In one particular, I think, this act is likely to be attended with advantage; and that is, in furnishing a proper subject for the application of the various small sums, called Queen Ann's Bounty. These sums, appropriated to the augmentation of small livings, are at present laid out in purchases of land, which are continually making in various counties, to the injury of the agriculture of the kingdom, and to the prejudice of many improvements.

The 19th and 20th sections of the act give powers to all bodies politick or corporate and companies, and all trustees for charitable and other public purposes, and all committees of lunaticks, &c. &c. to borrow money on mortgage; but, if the purchase of the land-tax is as advantageous as the author of the Observations would make us believe, how is money to be procured on mortgage? and that it is not to be procured, the daily advertisements in all the publick papers, both of the metropolis and of the country, sufficiently prove.

The powers given to the Commissioners to be appointed under the authority of the act, by the 30th section, are very large and extensive, and liable to many objections. The act indeed directs, that no more money shall be raised by mortgage or rent charge, nor any more land sold than shall be sufficient to answer the purchase of the land-tax, and an estimate, in writing and on oath, shall be given to the Commissioners of the estate to be sold, and that the sale of such part of the estate will not materially injure the residue of the estate; but surely the word *material* is very vague and uncertain, liable to various interpretations, and open to a variety of observations; and I think country gentlemen (for of such the Commissioners of the land-tax generally consist) will find themselves under considerable difficulties how to determine, should the sale of an estate be opposed. I am well aware that application may be made to the Court of Chancery, by either party dissatisfied with the determination of the Commissioners of the land-tax; but when gentlemen recollect the expence of these applications, and the

unavoidable delays, which the very forms of the Court of Chancery give rise to, they must be sensible that, in a great variety of cases, the remedy from these two circumstance alone must be worse than the disease; and I can find no directions in the act of parliament as to the payment of the costs of these applications, nor from what fund, or by whom to be discharged.

The 39th section allows trust property of various descriptions to be laid out in the purchase of land-tax, without any regard to what such property may have cost, which surely is giving much too great power to the trustees, and many cases may be put, in which it would very materially injure the parties claiming under trust deeds; and it is no answer to say, that it cannot be supposed that trustees will act improperly, when every day's experience shews how common it is for the trustee and the echeque trust to differ, and how variously different people think on the same subject. Thus what is advanced by the author of the Observations,&c. that nothing can be more advantageous for all parties, interested in a

trust fund, than to invest such money in the purchase of land-tax, must be received with considerable limitations and restrictions; for if, as I have already observed, such trust has been created, when the funds were even at 70, nothing surely can be more destructive to the parties interested in such trust fund, than to have it applied to the purchase of land-tax. The power given to cut down timber, and to enfranchise copyholds, is equally liable to objection and abuse; and here the necessary application to the Court of Chancery, is a very great one for the reasons I have already given.

The notice to be given under this act of parliament is likewise very objectionable: The notice is to be left at the last usual place of abode of the person to whom such notice is given, if in Great Britain; if beyond sea, then the notice is to be published in the Gazette---A very insufficient notice surely, in many cases that may arise under such an act of parliament as this; nor is there any direction in the act as to the length of time such notice in the Gazette

should be given, previous to the application to the Commissioners of the Land-tax; the only notice mentioned in the act being a month in the case I have mentioned.

I must think the allowing the land-tax, purchased with trust property, subject to an entail to be considered as real estate, and to be capable of being barred by deed, without fine or recovery, very reprehensible and alarming, as dispensing with the ancient and known formalities of the law, and as introducing confusion and uncertainty.

The mode pointed out for the apportionment of the land-tax, by the Commissioners in the division of lands, is likewise very reprehensible, as each division of the estate remains liable to the purchaser of the land-tax for the whole of it; and consequently, as such purchaser will select such division of the estate as he can most easily recover his land-tax upon, such division will in its turn be obliged to sue owners of the other divisions for their proportion of the land-tax, and thus endless law-suits may and pro-

bably will arise, when estates descend among several co-heirs; and infinite impediments will be thrown in the way of the sale of estates, in lots by auction; and all private transfers and exchanges of property, which every one knows are now made with a greater or less proportion of land-tax, as best suits the convenience of the parties, will be materially affected; and should this act be carried into general effect, all arrangements of land-tax must, from time to time, be made by the Commissioners of the Land-Tax, as alterations in the property takes place, but to which arrangements the purchasers of the land-tax will not be obliged to conform; and I apprehend it will be necessary, in every future enclosing bill, to make all owners of land-tax, in the district to be enclosed, parties to the bill, as their interest must be affected by such bills. This will be adding considerably to the expences incurred on such bills.

I object extremely to the great number of oaths of late years introduced into every act of parliament. This is the case in the act

under consideration. On this head the late Speaker Onslow has expressed himself, in his Observations in the second volume of Coxe's Memoirs of Sir Robert Walpole, with so much propriety, feeling, and good sense, that I shall content myself with referring the reason to that book, which, though I cannot much commend, was surely too severely handled by a noble and learned Lord.

I have waved making any observations on the probable effects of this act on landed property in Scotland, because I am not sufficiently acquainted with that part of the united kingdom to speak decidedly on that head; and I have omitted to notice the many ingenious and weighty arguments adduced against this act of parliament, for the sale of the land-tax, by Lord Thurlow and other Members of both Houses of Parliament, because they are already in print; but I must think many of them well deserving the serious attention of Government, and entitled to considerable weight with the country.--- In short, I cannot but again and again recommend this act of parliament to the most

serious consideration of the Minister, and of all Members of Parliament, before the public mind becomes agitated about it.

One matter has never, as I recollect, been noticed in any debate on this bill---I mean its operation on votes depending on freeholds for Members of Parliament---Suppose a gentleman, possessed of landed property, should purchase the whole of the land-tax attached to such property, would he not lose his right to vote for such property? It appears to me that he would; for to entitle him to vote, it must appear that the property, for which he tendered his vote, is assessed to the land-tax; but the Act for the Redemption of the Land-tax says, "That whenever the whole of the land-tax charged upon the manors, messuages, lands, tenements, and hereditaments, in any parish or place, shall have been redeemed, all such manors, &c. in such parish shall be exonerated, under and by virtue of this act, from the payment of any sum or sums of money as land-tax, and all assessments in such parish or place, by virtue of this act, shall cease

and determine."---Then I would ask how a person, who has purchased all his land-tax, and consequently all the assessment ceased and determined, could shew he was assessed to it; and if he could not do that, I apprehend, the returning officer would very properly reject his vote.

Few of the many objections, such as the want of power in the Commissioners to divide themselves, the shortness of time allowed to owners to declare their intention to redeem their land-tax, and many others, that might with great propriety be urged against this act of Parliament, have been noticed by me, because I was desirous to compress in as narrow a compass as possible these Observations; and indeed I have waited so long in expectation that some gentleman, better qualified than myself, would have published his thoughts on this Act, that I left myself but little time to draw up my own. My endeavour throughout has been to express myself with clearness and precision, and in plain terms; and therefore I have cautiously avoided whatever might em-

barrass the subject. If what I have said shall be the means of bringing this great national object of the Sale of the Land-Tax again under the revision of the two Houses of Parliament, I shall think myself particularly happy; as I am convinced, if it undergoes that revision, it cannot fail to come forth much improved.

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both much improved.

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